



DEPARTMENT OF THE NAVY

NAVAL SEA SYSTEMS COMMAND
2631 JEFFERSON DAVIS HWY
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IN REPLY REFER TO

and
Naval Supply Systems Command
1931 Jefferson Davis Hwy.
Arlington, VA 22241-5360

NAVSEAINST 4408.3
NAVSUPINST 4408.5
Ser 04
SUP 04
24 JUL 95

NAVSEA INSTRUCTION 4408.3
NAVSUP INSTRUCTION 4408.5

From: Commander, Naval Sea Systems Command
Commander, Naval Supply Systems Command

Subj: NAVSEA/NAVSUP REPROCUREMENT ENGINEERING SUPPORT AGREEMENT

Ref: (a) Memorandum Of Agreement between COMNAVSUPSYSCOM and
COMNAVSEASYSKOM of 12 Jun 91
(b) Program Support Agreement between COMNAVSEASYSKOM
and COMNAVSUPSYSCOM of Aug 77

Encl: (1) Reprocurement Support Process

1. Purpose

a. To issue the Naval Sea Systems Command (NAVSEA) and the Naval Supply Systems Command (NAVSUP) policy for reprocurement engineering support.

b. To establish working relationships, procedures, objectives and milestones pertinent to providing quality material to the fleet that is of mutual interest to NAVSEA and NAVSUP.

c. To support reference (a) cooperative initiatives set forth by COMNAVSEASYSKOM and COMNAVSUPSYSCOM.

2. Scope

a. This instruction applies to the Program Executive Officer (PEO), Direct Reporting Program Manager (DRPM), Warfare Centers, NAVSEA, NAVSEA In-Service Engineering Agents (ISEA), NAVSUP and the Navy Ships Parts Control Center (SPCC) where the NAVSEA/ISEA has technical agent responsibilities and SPCC has inventory management responsibilities.

b. This instruction does not apply to strategic submarine, Level I/Submarine Safety, nuclear propulsion or ammunition programs.

c. This instruction supersedes those portions of reference (b) that pertain to reprocurement support.



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3. Background

a. The introduction of increasingly complex, integrated weapon systems, along with the evolution of shorter, more concentrated ship maintenance availabilities, requires closer integration of the Navy's engineering, acquisition, maintenance and material communities. The volatile fiscal environment necessitates an orderly, well-managed approach to our common goal of improved Navy readiness and sustainability.

b. The reprocurement process is one aspect of the complex process of acquiring and managing Integrated Logistic Support. The delivery of quality spare and repair parts to maintain a high state of supply readiness is a result of a process involving a number of interrelated actions by a variety of participating activities. In view of the high cost, technical complexity and importance to the National Defense of weapon system acquisition and maintenance, a method of assessing the quality and timeliness of reprocurement support is necessary.

c. Previous Memorandums of Understanding (MOUs) and Program Support Agreements for technical support between NAVSEA and NAVSUP have addressed the broad spectrum of all technical and quality issues, involved with specific functional areas, such as provisioning.

d. Through a Process Action Team (PAT) involving NAVSEA, ISEAs, NAVSUP, and SPCC, the reprocurement process has been defined, responsibilities identified and specific procedures developed to provide the basis for continuing and improving the quality of spare and repair parts provided to the fleet.

4. Policy. Enclosure (1) provides the basic policy and procedures for the reprocurement support process. This does not preclude the ISEA and SPCC from mutually negotiating changes with prior approval from NAVSEA and NAVSUP that reflect aspects of the process unique to that particular program or command.

5. Responsibilities

a. Naval Sea Systems Command, Deputy Commander for Fleet Logistics Support (SEA 04). SEA 04 is responsible for establishing command policy and program objectives for NAVSEA reprocurement support.

b. Naval Sea Systems Command, Deputy Commander for Fleet Logistics Support, Material Support Division (04MS). SEA 04MS shall:

(1) Interpret policies, standards and procedures imposed by higher authority and promulgate implementing guidance to improve the effectiveness of NAVSEA aspects of reprocurement support.

(2) Develop standards, procedures and implementing directives as required for NAVSEA aspects of reprocurement support.

(3) Monitor NAVSEA reprocurement management and administration to ensure overall accomplishment of the policies and objectives of this instruction. Maintain this instruction for NAVSEA.

(4) Make recommendations and grant approval of any NAVSEA departures from enclosure (1). Coordinate and resolve any disputes between the ISEA and SPCC with NAVSUP.

(5) Co-chair, with NAVSUP, a Reprocurement Support Working Group.

c. Program Executive Officers (PEOs)/Direct Reporting Program Managers (DRPMs). PEOs and DRPMs shall:

(1) Delegate enclosure (1) reprocurement engineering support responsibilities for assigned systems and equipments to the responsible ISEA. The PEO/DRPM may reserve some aspect of technical authority for reprocurement due to unique program aspects. This technical authority should be directly negotiated and documented between the PEO/DRPM and the ISEA. The ISEA should be the single point of contact for SPCC initiation of reprocurement support requirements. As documented between the PEO/DRPM and the ISEA, the ISEA will forward appropriate reprocurement support issues to the PEO/DRPM.

(2) Budget for and fund ISEA reprocurement engineering support of "in production" items as defined in enclosure (1).

(3) Participate in the Reprocurement Support Working Group as required.

d. Naval Sea Systems Command Acquisition Managers (AMs)/Life Cycle Managers (LCMs). NAVSEA AMs/LCMs shall:

(1) Delegate enclosure (1) reprocurement engineering support responsibilities for assigned systems and equipments to the responsible ISEA. The AM/LCM may reserve some aspect of

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technical authority for reprourement due to unique program aspects. This technical authority should be directly negotiated and documented between the AM/LCM and the ISEA. The ISEA should be the single point of contact for SPCC initiation of reprourement support requirements. As documented between the AM/LCM and the ISEA, the ISEA will forward appropriate reprourement support issues to the AM/LCM.

(2) Budget for and fund ISEA reprourement engineering support for "in production" items as defined in enclosure (1).

(3) Participate in the Reprourement Support Working Group as required.

e. Naval Sea Systems Command In-Service Engineering Agents (ISEAs). ISEAs shall:

(1) Implement enclosure (1).

(2) Directly negotiate and document with SPCC any unique process change requirements, as concurred in by NAVSEA 04MS.

(3) Provide budget inputs and reports for both "in" and "out of production" reprourement support requirements to the appropriate headquarters program sponsor and SPCC.

(4) Provide reprourement support status reports as required.

(5) Participate in the Reprourement Support Working Group.

f. Naval Supply Systems Command, Deputy Commander for Fleet Logistics Operations (SUP 04). SUP 04 is responsible for developing and coordinating Program Support Inventory Control Point agreements providing for weapon systems and related system/components logistical support of the hardware systems commands and for establishing command policy and program objectives for NAVSUP aspects of reprourement support.

g. Naval Supply Systems Command, Assistant Commander for Ashore Support (SUP 42). SUP 42 shall:

(1) Interpret policies, standards and procedures imposed by higher authority and promulgate implementing guidance to improve the effectiveness of NAVSUP aspects of reprourement support.

(2) Develop standards, procedures and implementing directives as required for NAVSUP aspects of reprocurement.

(3) Monitor NAVSUP reprocurement management and administration to ensure overall accomplishment of the policies and objectives of this instruction. Maintain this instruction for NAVSUP.

(4) Make recommendations and grant approval of any NAVSUP departures from enclosure (1). Coordinate and resolve any disputes between SPCC and the ISEA with NAVSEA.

(5) Co-chair, with NAVSEA, a Reprocurement Support Working Group.

(6) Coordinate reprocurement issues of concern within NAVSUP 04.

h. Navy Ships Parts Control Center (SPCC). SPCC shall:

(1) Implement enclosure (1).

(2) Directly negotiate and document with the ISEA any unique process change requirements, as concurred in by NAVSUP.

(3) Provide ISEA with projected workload requirements.

(4) Receive ISEA budget inputs for "out of production" reprocurement support requirements, consolidate, analyze and forward to NAVSUP as required.

(5) Provide Defense Business Operating Funds (DBOF) to the ISEA for "out of production" reprocurement support requirements.

(6) Participate in the Reprocurement Support Working Group.

i. Reprocurement Support Working Group. This group shall:

(1) Monitor and report on reprocurement support.

(2) Identify process improvements to reprocurement support for ISEAs and SPCC.

(3) Make appropriate recommendations and implement reprocurement support improvements.

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(4) Be co-chaired by representatives from NAVSEA (04MS) and NAVSUP (42). The working group will consist of representatives from each ISEA and SPCC. The PEO/DRPM/AM/LCM/Warfare Centers may participate as required. Other activities will be invited as appropriate.

(5) Meet semiannually or more often, as deemed appropriate.

(6) Be responsible for maintenance of and continuous improvements to this instruction.

6. Action. Addressees are to implement the policy and procedures contained in this instruction upon receipt.



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Naval Supply Systems Command



Commander
Naval Sea Systems Command

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REPROCUREMENT SUPPORT PROCESS

Ref: (a) NAVSEAINST 5400.57A of 6 Dec 88; Subj: Delegation of Technical Responsibility to Engineering Agents
(b) NAVSEAINST 5450.48A of 4 Feb 88; Mission and Function of the Naval Ship Systems Engineering Station

Attch: (A) Definitions and Acronyms
(B) Procurement Management Flowchart
(C) Procurement Procedures
(D) Processing Timeframes

1. Purpose. To improve the quality of acquisition support under the following emphases:

a. To provide the process and the support responsibilities of the Naval Supply Systems Command (NAVSUP), the Navy Ships Parts Control Center (SPCC), the Naval Sea Systems Command (NAVSEA), the Program Executive Officers (PEOs) and the Direct Reporting Program Managers (DRPMs) and the NAVSEA In-Service Engineering Agents (ISEAs) in the development, coordination, and implementation of technical, logistics, and quality aspects of the NAVSEA systems and equipments assigned to SPCC for program support.

b. To establish priorities, processing times, and handling procedures for the development of acquisition Technical Data Package (TDP) referrals.

c. To ensure timely and formal media for communication and interchange of Program, Budget, and Technical Data.

2. Scope. This enclosure delineates responsibilities and broad basic procedures for systems and equipments under the technical cognizance of NAVSEA and assigned to SPCC for program support during the life cycle of the equipment or system. The scope of program support is limited to the authority delegated by NAVSEA.

3. Definitions and Acronyms. Attachment (A) provides definitions and acronyms relative to this instruction.

4. Responsibilities

a. NAVSEA. In support of all reprourement actions, NAVSEA Technical Activity responsibilities are identified per references (a) and (b).

Enclosure (1)

b. SPCC. SPCC is the Navy's Program Support Inventory Control Point (PSICP) for a broad range of material used in ships, weapons systems and material handling equipment and other support equipment. The scope of responsibility includes all U.S. Navy ships and various foreign navies. To carry out its responsibilities as a PSICP, SPCC has major responsibilities in a number of key areas. Responsibilities include, but are not limited to: provisioning, procurement, inventory control, repairables management, supply documentation and data.

5. Procedures

a. Specific procedures identifying the responsible activity arranged in sequence of occurrence during the procurement cycle are provided in attachments (b) and (c).

b. Sufficient lead time must be made available for the completion of the procedures defined for both NAVSEA activities and SPCC leading to a contract award. For planning purposes, attachment (d) identifies the lead time for NAVSEA activities to respond to a technical referral. The activity shall respond to the requester when the requirements in attachment (d) cannot be attained.

6. Organizational Points of Contact. Specific points of contact by program within the activities (ISEAs and SPCC) are to be identified via separate correspondence no later than 1 October of each year as coordinated through the Reprocurement Support Working Group.

7. Review and Changes. This instruction will be maintained by the Reprocurement Support Working Group and reviewed/updated semiannually.

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DEFINITIONS AND ACRONYMS

Certificate of Competency (COC):

A Certificate of Competency is the certificate issued by the Small Business Administration (SBA) stating that the holder is responsible (with respect to all elements of responsibility, including but not limited to capability, competency, capacity, credit, integrity, perseverance, and tenacity) for the purpose of receiving and performing a specific Government contract. (FAR 19.601)

Compatibility Testing:

First Article Testing conducted by the Government; verification that a component or subsystem works in a system. (FAR Part 52.209-4)

Contract Data Requirements List (CDRL):

A list of all deliverable data or information, defined by use of approved Data Item Descriptions (DIDs), and the delivery schedule of data procured under a contract. CDRL requirements are listed on DD Form 1423 which becomes part of the final contract.

Defense Contract Management Command (DCMC)

Defense Contract Management Area Operations (DCMAO)

Data Element Number (DEN) FO24B:

The data element number (DEN) acts as a means for controlling data elements and as a shorthand name. FO24B is a code indicating that the item buy (Purchase Request) requires manual technical review when processed by the UICP Buying Operation (FO1).

Determination of Non-Responsibility:

Determining a responsive business lacks certain elements (including, but not limited to competency, capability, capacity, credit, integrity, perseverance, and tenacity) to receive the award. (FAR 19.602)

Attachment (A) to
Enclosure (1)

Deviation:

Written authorization, granted prior to the manufacture of an item, to depart from particular performance or design requirement of a contract, specification, or referenced document, for a specific number of units or specific period of time.
(MIL-STD-973)

Federal Acquisition Regulation (FAR):

Primary regulation for use by all Federal Executive agencies in their acquisition of supplies and services with appropriated funds.

First Article:

Preproduction models, initial production samples, test samples, first lots, pilot lots, and pilot models. (FAR 9.301)

First Article Testing (FAT):

Testing and evaluating the First Article for conformance with specified contract requirements before or in the initial stage of production. (FAR 9.301)

First Article Approval:

The Contracting Officer's written notification to the contractor accepting the results of the First Article. (FAR 9.301)

First Article Test Procedure (FATP):

Contractor FAT procedures submitted for approval; requirements defined/stated in the solicitation. (FAR 9.30)

First Article Test Report (FATR):

The necessary data that must be submitted to the government; documented data sheets of test results and measurements.
(FAR 9.306)

In Production:

Any end item or component that has not reached Material Support Date (MSD) or is pending the final installation start date as documented in the Program Support Data Automated Reporting and Tracking System (PARTS).

Attachment (A) to
Enclosure (1)

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In-Service Engineering Agent (ISEA):

Designated Activity that provides technical engineering support for systems and equipments.

Out of Production:

Any end item or subcomponent that has reached or is beyond Material Support Date (MSD) and has passed the final installation start date.

Preaward:

An informal expression for the status of a technical referral before award of a contract.

Preaward Survey (PAS):

An evaluation by a surveying activity of a prospective contractor's capability to perform a proposed contract.
(FAR 9.101)

Procurement Action Sheet (SPCC 4200.61 Form):

SPCC Form utilized to compile information necessary to develop a technical data package suitable for contractor solicitation.

Procurement Specification and Document Reference Sheet (SPCC 4250/28 Form):

SPCC Form utilized to identify documents and specifications necessary to manufacture an end item or assembly to the latest configuration.

Provisioning:

The process of determining the support that will be required for a broad range of equipment that make up the Navy's weapons system.

Postaward:

An informal expression of the status of a technical referral after award of a contract.

Attachment (A) to
Enclosure (1)

Post Award Orientation Conference (PAOC):

Conference to clarify any potential contractual problems prior to start-up of production. It is utilized to resolve those discrepancies documented during the preaward survey. (FAR 42.5)

Procurement Contracting Officer (PCO):

A person with the authority to enter into, administer, and/or terminate contracts and make related determinations and findings. The term includes certain authorized representatives of the contracting officer acting within the limits of their authority as delegated by the contracting officer. (FAR 2.101)

Production Lot Testing (PLT):

Factory Acceptance Testing. (FAR Subpart 46-105)

Production Lot Test Procedure (PLTP):

Documentation that will provide a basis for inspection to be performed to demonstrate the capability of meeting requirements of the specification, purchase description, or contract.

Production Lot Test Report (PLTR):

Report used to document the results of examinations and tests of products manufactured under normal or standard conditions.

Product Oriented Survey (POS):

Evaluation to determine the adequacy of the technical requirements, conducted by the activity responsible for technical requirements. (FAR 46.103)

Quality Assurance Letter of Instruction (QALI):

Instructions/directions that define the technical requirements and specifications for inspection, testing and other contract quality requirements. (FAR 46.103 and FAR 46.170)

Quality Systems Review (QSR):

Evaluation of contractor's inspection system and/or quality program conducted by the contract administration activity responsible for contract administration. (FAR 52.246-1/FAR 52-246-11)

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Small Business Administration (SBA):

The Small Business Act is the authority under which the Small Business Administration (SBA) and agencies consult and cooperate with each other in formulating policies to ensure that small business and small disadvantaged business interests will be recognized and protected. (FAR 19.401)

Solicitation:

A Government request for an offer such as a Request for Proposal (RFP) or Invitation For Bid (IFB).

Technical Data Package (TDP):

A technical description of an item adequate for supporting an acquisition strategy, production, engineering and logistics support. The description defines the required design configuration and procedures required to ensure adequacy of item performance. It consists of all applicable technical data such as drawings and associated lists, specifications, standards, performance requirements, quality assurance provisions, and packaging details.

Technical Referral:

Technical Referral is a general term used when the Program Support Inventory Control Point (PSICP)/SPCC requests technical support from the ISEA. Technical referrals include but are not limited to: requests for deviation and/or waiver, requests for Technical Data Packages, approval of CDRL items, second source approval/ development, requests for technical assistance, requests for Government Furnished Material (GFM), etc.

Waiver:

A waiver is an authorization to accept a configuration item or other designated items, which during production or after having been submitted for inspection, are found to depart from specified requirements, but nevertheless are considered suitable for use "as is" or after rework by an approved method. (MIL-STD-973)

PHASE #2: TECHNICAL DATA PACKAGE DEVELOPMENT

3. IS ADEQUATE TDP ON FILE? (SPCC):

SPCC will check TDP for current data and adequacy for procurement. If TDP is adequate, go to Block 6; otherwise, go to Block 4.

4. REQUEST TECHNICAL SUPPORT FROM ISEA (SPCC):

SPCC will request generation of or update to TDP from ISEA.

5. DEVELOP/UPDATE TDP AND ISSUE TO SPCC (ISEA):

The ISEA will develop/update TDP using the appropriate form(s).

6. IS DEN CODED FOR ISEA REVIEW? (SPCC):

DEN FO24B coded "H" (as mutually agreed upon by the ISEA and SPCC) determines that the technical data package must be reviewed by ISEA. If coded "H", go to Block 6A. If not coded "H", go to Block 7.

6A. REVIEW FORM 28 (ISEA):

SPCC sends copy of SPCC Form 4200/28 to the ISEA for review, as agreed upon by the ISEA and SPCC. Development of solicitation will not be held up pending a response from the ISEA.

PHASE #3: SOLICITATION DEVELOPMENT

7. DEVELOP SOLICITATION (SPCC):

SPCC will develop a solicitation package based on FAR Subpart 15.4 (Solicitation and Receipt of Proposals and Quotations) and the Technical Data Package. Go simultaneously to Blocks 8 and 9.

8. FORWARD SOLICITATION TO ISEA (SPCC):

SPCC shall forward a copy of solicitation to the ISEA for review after completion as agreed upon.

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9. ISSUE SOLICITATION (SPCC):

SPCC will issue solicitation to bidders according to FAR Subpart 15.4 (Solicitation and Receipt of Proposal and Quotations).

10. ARE TDP REQUIREMENTS IN SOLICITATION CORRECT? (ISEA):

If no response is given by the ISEA, SPCC assumes concurrence with TDP requirements as reflected in the solicitation (go to Block 9). If the solicitation is incorrect, the ISEA will notify SPCC and appropriate corrective action will be taken by SPCC (go to Block 11). Issuing of the solicitation will not be held up pending a response from the ISEA.

11. AMEND SOLICITATION AND/OR EXTEND SOLICITATION PERIOD (SPCC):

If solicitation needs to be amended or extended, SPCC will follow FAR Subpart 15.4 (Solicitation and Receipt of Proposals and Quotations).

12. RECEIVE OFFERS, DEVELOP ABSTRACT, SELECT APPARENT SUCCESSFUL OFFEROR(S) (SPCC):

SPCC will receive all offers, develop abstract, and select apparent successful offerors in accordance with FAR Subpart 15.6 (Source Selection) and FAR Subpart 15.8 (Price Negotiation).

PHASE #4: SOURCE SELECTION

13. INFORM ISEA OF APPARENT SUCCESSFUL OFFEROR(S) (SPCC):

If requested by the ISEA during solicitation review (Block 10), SPCC will notify the ISEA by telephone within 15 working days of solicitation closing of the offerors within the competitive range. The purpose of this notification is to provide the ISEA an opportunity to review any additional quality information that may be relevant in the evaluation of offers. The ISEA must respond to SPCC within two (2) working days of notification. Contract award will not be delayed pending a response from the ISEA. Note: The restrictions and requirements regarding procurement integrity contained in FAR 3.104 apply. This prohibits the disclosure of proprietary or certain source selection information and requires the maintenance of access lists under certain conditions.

14. RESEARCH AVAILABLE DATA ON SUCCESSFUL OFFERORS (SPCC):

SPCC Contracting Officer obtains necessary data on apparent successful offeror to support contractor responsibility determination per FAR Subpart 9.1 (Responsible Prospective Contractors).

15. PREAWARD SURVEY? (SPCC):

The ISEA will indicate on the Technical Referral form if a PAS is desired. After reviewing any additional quality information obtained in Step 13, the contracting officer will decide whether to request a PAS. If the contracting officer decides a PAS is necessary, the ISEA may be invited to participate. If no PAS is desired, go to Block 18.

16. REQUEST DCMC PERFORM PREAWARD SURVEY (WITH ISEA) (SPCC):

SPCC will request DCMC to perform a PAS with the ISEA and SPCC, if desired, in accordance with FAR Subpart 9.0 (Responsible Prospective Contractors).

17. FORWARD SURVEY REPORT TO ISEA, IF REQUESTED (SPCC):

If requested, SPCC will forward a copy of the preaward survey to the ISEA.

18. AWARD? (SPCC):

Upon receipt of survey/inspection, SPCC will make responsibility determination and award or not award contract. If award, go to Block 24. If no award, go to Block 19.

19. IS SUPPLIER A SMALL BUSINESS? (SPCC):

If DCMC recommends not to award, the SPCC Contracting Officer determines if apparent offeror is a small business per FAR 9.104-3(a). If so, go to Block 20. If not, go to Block 23.

20. INTERFACE WITH SBA TO ASSURE THAT RECOMMENDATION IS UPHELD (SPCC/ISEA):

When supplier is determined to be non-responsible and is a small business, SPCC will contact the ISEA for additional quality information to provide the SBA for substantiating the contracting officer's non-responsibility determination.

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21. SBA ISSUE COC?:

If SBA issues a COC, SPCC Contracting Officer will evaluate the merits of an appeal and may appeal the decision in accordance with FAR 19.6. If not appealed, or unsuccessfully appealed, SPCC will award the contract; go to Block 24. If successfully appealed, go to Block 22.

22. EVALUATE NEXT BIDDER (SPCC/ISEA):

If SBA does not issue a COC, the SPCC Contracting Officer will proceed to evaluate the next bidder (See Block 13).

23. REJECT BID (SPCC):

If offeror is non-responsible and is a large business, the contracting officer will reject the offer and proceed to Block 13.

24. FORWARD COPY OF CONTRACT TO ISEA (SPCC):

After contract award, SPCC will mail a copy of the contract to the ISEA.

25. INITIATE AND CONDUCT POST AWARD ORIENTATION CONFERENCE WITH ISEA PARTICIPATION (SPCC):

SPCC Contracting Officer will notify DCMC to arrange for a Post Award Orientation Conference (PAOC), if necessary, and notify the ISEA.

NOTE: ALL ACTIONS DESCRIBED IN PHASES #5 AND #6 ARE CONTINGENT UPON PREVIOUS REQUIREMENTS SPECIFIED IN THE TDP, SOLICITATION CONTRACT AND/OR CONTRACTOR'S PERFORMANCE. AS SUCH, THE FOLLOWING ACTIONS OCCUR ONLY ON A CASE BY CASE BASIS.

PHASE #5: PROCESS VALIDATION

26. DEVELOP QUALITY ASSURANCE LETTER OF INSTRUCTION (QALI) AND ISSUE TO DCMC (ISEA):

Note: Providing that the FAR inspection at source clause is contractually invoked, the ISEA will review drawings, specifications, QDRs/MDRs, item criticality and so forth and develop a QALI. The QALI will be issued to the government representative at the contractor's facility for mandatory inspection with a copy to the PCO at SPCC.

Attachment (C) to
Enclosure (1)

27. REVIEW CONTRACTOR'S FIRST ARTICLE TEST PROCEDURE (FATP) (ISEA):

The ISEA will review and acknowledge approval/disapproval of the procedure within the CDRL requirements or as applicable to the time frames described herein. The First Article test will not commence until approval of the procedure is granted. Note: Contingent upon FATP approval, the ISEA has the option to validate/witness or delegate FAT approval authority to the Contract Administration Office.

28. REVIEW/APPROVE FIRST ARTICLE TEST RESULTS/REPORT (ISEA):

When applicable, the ISEA will perform FAT/Compatibility Test (Usually these tests are performed at a government facility) for verification of performance at equipment and/or system level. The ISEA will schedule arrangements for the test, generate a test plan, and test the item to the test plans accept/reject criteria. When required, the ISEA will review/issue acknowledgment of approval/disapproval of FATR. This report must meet all the requirements within the Contract Data Requirements List (CDRL) or as applicable to the time frames described herein. Production is contingent upon approval of this report.

PHASE #6: PRODUCTION SURVEILLANCE

29. PARTICIPATE IN QUALITY SYSTEM REVIEW (QSR) (ISEA):

When required or requested, the ISEA can participate in a QSR. This review can be requested anytime during the life cycle of the contract or as long as there is a MIL-Q-9858A, Quality Program, MIL-I-45208A, Quality Inspection System, or ISO 9000 in the contractor's facility.

30. PERFORM PRODUCT ORIENTED SURVEY (POS) (ISEA):

When required, the POS will be performed during the production phase of the contract and in accordance with DLAM 8200 and or NAVSEAINST 4855.26; Product Quality Evaluation of Contractors; Policies and Procedures for.

31. PRODUCTION LOT TESTING

REVIEW CONTRACTOR'S PRODUCTION ACCEPTANCE INSPECTION PROCEDURES (PAIP) (ISEA):

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When applicable, the ISEA will review and recommend approval/disapproval of the PAIP within the CDRL requirements or as applicable to the time frames specified herein.

VALIDATE/WITNESS PRODUCTION LOT TESTING (PLT) (ISEA):

Note: When applicable, the ISEA has the option to validate, witness or delegate PLT approval authority to the Contract Administration Office.

PERFORM PRODUCTION LOT TESTING (ISEA):

Note: When required, the ISEA has the option to perform PLT at a government facility for verification of performance. The ISEA will schedule arrangements for the test, generate a test plan, and test the item to the accept/reject criteria.

REVIEW/ISSUE PRODUCTION LOT TEST REPORT (PLTR) (ISEA):

When required, the ISEA will review/issue approval/disapproval of PLTR. This report must meet all the requirements within the Contract Data Requirements List (CDRL) or when applicable to the time frames specified herein. Shipment of items is contingent upon approval of report.

32. DATA REVIEW/APPROVAL:

Review contractor data delivered in accordance with DD Form 1423, CDRL for approval.

33. REQUEST FOR WAIVER (RFW)/REQUEST FOR DEVIATION (RFD)/ENGINEERING CHANGE PROPOSAL (ECP):

SPCC receives RFW/RFD/ECP from DCMC.

34. FORWARD TO ISEA FOR EVALUATION (SPCC):

SPCC forwards RFW/RFD/ECP to ISEA within five (5) working days upon receipt from DCMC.

35. EVALUATE RFW/RFD/ECP (ISEA):

The ISEA will evaluate the design, schedule and cost impact of the RFW/RFD/ECP in accordance with MIL-STD-973. The ISEA will

forward the approved/disapproved RFW/RFD/ECP to the Procurement Contracting Officer at SPCC within the time frames in the contract or those specified herein. Recurring RFW's/RFD's will be identified and action taken to modify specifications, where appropriate.

36. VALUE ENGINEERING CHANGE PROPOSAL (VECP):

SPCC receives VECP from DCMC.

37. FORWARD TO ISEA FOR EVALUATION (SPCC):

Forward VECP to ISEA within five (5) working days of receipt from DCMC.

38. EVALUATE VECP (ISEA):

The ISEA will evaluate the VECP in accordance with FAR Subpart 48.1 (Policies, Procedures and Subpart 48.2, Contract Clauses). The ISEA will also evaluate the VECP for schedule, design and cost impact. ISEA response to SPCC of approval/disapproval shall be within the time frame specified in the contract or those specified herein.

39. QUALITY DEFICIENCY REPORT (QDR):

QDRs will be processed per applicable instructions.

40. CONTRACT COMPLETE.

NAVSEAINST 4408.3
NAVSUPINST 4408.5
24 JUL 95

**ISEA PROCESSING TIME FRAMES
FOR
TECHNICAL REFERRALS**

<u>Priority Sequence</u>	<u>Time Frame (Note 1)</u>	<u>Description</u>
1	As specified by SPCC	- Casualty Reports (CASREPs), Safety, Quality Issues, Work Stoppages, Issue Priority Group I Procurement Requests (PRs); (Pre Award)
2	30 Calendar Days	- Contract Referrals and Waivers. (Post Award) Note 2.
3	45 Calendar Days	- Issue Priority Group II PRs. Note 2.
4	60 Calendar Days	- Issue Priority Group III PRs. - Procurement Pending (out of stock). - Stock on Hand (out of stock date is before 60 days). - Competitive Alternate Item Evaluation.
5	90 Calendar Days	- Advance Buys Scheduled. (Projected Buys) - First Time Procurements.

Note 1: Times specified reflect time from receipt of technical referral by ISEA to issuing a response from ISEA.

Note 2: Excludes competitive alternate items evaluations.

Issue Priority Group I = Requisition Priority Group 1 - 3
Issue Priority Group II = Requisition Priority Group 4 - 8
Issue Priority Group III = Requisition Priority Group 9 - 15

Attachment (D) to
Enclosure (1)

